

12/19

M e m o r a n d u m

Date: December 16, 2008

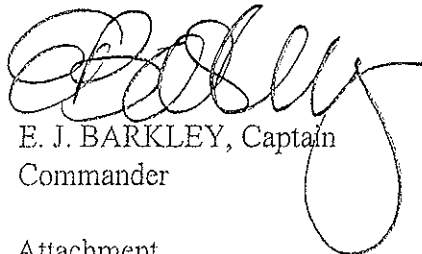
To: Office of Assistant Commissioner, Inspector General

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**
Office of Investigations

File No.: 006.14419.15101.commandinspectionprogram

Subject: COMMAND INSPECTION PROGRAM

The Office of Investigations recently completed the Command Inspection Program, covering Chapters 3 and 4, pursuant to HPM 22.1. Please find the attached Command Inspection Program Inspection Checklists for Chapters 3 and 4 and corresponding Exceptions Documents for your review. If you have any questions or desire additional information, please do not hesitate to contact me.



E. J. BARKLEY, Captain
Commander

Attachment

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

Command: OINV	Division: ACIG	Chapter: 3
Inspected by: J. Speas		Date: 12/15/2008

INSTRUCTIONS: This document shall be typed. Check appropriate boxes as necessary, or fill in the blanks as indicated. Enter the chapter number of the inspection in the Chapter Inspection number. Under "Forward to:" enter the next level of command where the document shall be routed to and its due date. This document shall be utilized to document innovative practices, suggestions for statewide improvement, identified deficiencies, corrective action plans, and may be used to appeal findings. A CHP 51 Memorandum may be used if additional space is required.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Executive Office Level		<input type="checkbox"/> Corrective Action Plan Included <input type="checkbox"/> Appeal Included <input type="checkbox"/> Attachments Included	
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Forward to: _____005_____ Due Date: 12/19/2008	Commander's Signature:	Date:

Chapter Inspection

Inspector's Comments Regarding Innovative Practices:

Area is currently using standard practices.

Command Suggestions for Statewide Improvement:

Creation of a universal contract tracking system so Area would ensure which contract invoices have been paid by Accounting, eliminating billing payment errors.

Inspector's Findings:

On December 15, 2008 a Command Procurements Command Inspection was performed at the direction of Lieutenant B. Cook pursuant to HPM 22.1. This inspection looked at four programs consisting of the Cal-Card program, the X-number program, Purchases and Contracts. The inspection included all folders and files associated with the above mentioned programs found within the Office of Investigations (OINV). OSS1 Maggie Peck was utilized as the Command's resource for assistance with the inspection.

Contracts, Item #18: CHP 78S forms were not located with contracts. Contracts, Item #30: There is no log sheet is not currently maintained.

Cal-Card & X-number: It was noted that some forms such as STD. 21, DGS certification letters and STD. 204 are maintained off-site at Fiscal Management Section for regular vendors.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

Command: OINV	Division: ACIG	Chapter: 3
Inspected by: J. Speas		Date: 12/15/2008

Page 2

Commander's Response:

Inspector's Comments:

Required Action:

Corrective Action Plan/Timeline N/A

Area will develop contract log sheet to maintain a diary of activities related to contracts.

Area will ensure form CHP 78S will be completed by all employees associated with the management of contracts.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

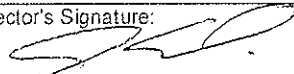
Page 3

Command: OINV	Division: ACIG	Chapter: 3
Inspected by: J. Speas		Date: 12/15/2008

Appeal Process: *(Appeals shall be filed within five (5) business days of the completed chapter inspection)*

Commander's Basis for Appeal:

Appeal Review/Decision: *(This shall be the only level of appeal).*

Lead Inspector's Signature: 	Date: 12/15/2008
Responding Commander's Signature (for appeal):	Date:

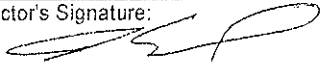
STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM INSPECTION CHECKLIST

Chapter 3, Command Procurements
X-Number Program

Command: OINV	Division: ACIG	Number: 006
Evaluated by: J. Speas		Date: 12/05/2008
Assisted by:		Date:

INSTRUCTIONS: Answer individual items with "Yes" or "No" answers, or fill in the blanks as indicated. Any discrepancies with policy, applicable legal statutes, or deficiencies noted in the inspections shall be commented on via the "Remarks" section. Additionally, such discrepancies and/or deficiencies shall be documented on an Exceptions Document and addressed to the next level of command. Furthermore, the Exceptions Document shall include any follow-up and/or corrective action(s) taken. If this form is used as a Follow-up Inspection, the "Follow-up Inspection" box shall be marked and only deficient items need to be re-inspected.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Executive Office Level <input type="checkbox"/> Voluntary Self-Inspection		Lead Inspector's Signature: 	
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Follow-up Inspection	Commander's Signature: _____ Date: _____
For applicable policy, refer to: HPM 11.1, Chapter 23			
1. Are multiple X Numbers awarded to the same vendor to circumvent the \$4,999 contract limit?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
2. Does all X Number file documentation contain the STD. 204 Payee Data Record?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks: FMS has certificates on file for all vendors currently used.
3. Do X Numbers requiring a contract (i.e., janitorial or landscaping) have prior approval from the Business Services Section commander?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
4. Are X Number requests made prior to the date the services are performed?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
5. Are X Numbers issued for a one-time use?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
6. Are prohibited services performed using an X Number?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
7. Are X Numbers used for the procurement of a service and not the purchase of a commodity?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
8. Are X Numbers issued for telecommunications related services pre-approved by Telecommunications Section?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A Remarks:
9. Do X Numbers used for facilities related services (such as roof repair, electrical) costing over \$1,000 have prior approval from Facilities Section?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A Remarks:
10. Do X Numbers issued for lapsed contractual agreements have prior approval by the appropriate Assistant Commissioner?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM INSPECTION CHECKLIST

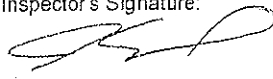
Chapter 3, Command Procurements
X-Number Program

11. Do all X Numbers awarded to a non-small business vendor contain three price quotations?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
12. Do all X Numbers awarded to a small business vendor contain the small business certification from the Department of General Services (DGS)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: FMS has certificates on file for all vendors currently used.
13. Does the file documentation contain the STD. 21 Drug Free workplace certification for X Number vendors?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: FMS has certificates on file for all vendors currently used.
14. Do emergency service X Numbers document and justify the emergency?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
15. Is the itemized invoice for each X Number service maintained in the command's files?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
INSPECTION CHECKLIST
Chapter 3, Command Procurements
Contracts

Command: OINV	Division: ACIG	Number: 006
Evaluated by: J. Speas		Date: 12/15/2008
Assisted by:		Date:

INSTRUCTIONS: Answer individual items with "Yes" or "No" answers, or fill in the blanks as indicated. Any discrepancies with policy, applicable legal statutes, or deficiencies noted in the inspections shall be commented on via the "Remarks" section. Additionally, such discrepancies and/or deficiencies shall be documented on an Exceptions Document and addressed to the next level of command. Furthermore, the Exceptions Document shall include any follow-up and/or corrective action(s) taken. If this form is used as a Follow-up Inspection, the "Follow-up Inspection" box shall be marked and only deficient items need to be re-inspected.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Executive Office Level <input type="checkbox"/> Voluntary Self-Inspection		Lead Inspector's Signature: 		
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Follow-up Inspection		Commander's Signature: _____ Date: _____
For applicable policy, refer to: HPM 11.1, Chapter 22				
1. Is a CHP 78 Contract Request used to initiate all service contracts which are repetitive, regardless of the estimated dollar value?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
2. Is a CHP 78 Contract Request used for one-time services exceeding \$4,999.99?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
3. Is the Office of Primary Interest (OPI) tracking numbering beginning with the requesting command three-digit location code used, followed by "CP" for contract payable listed on the CHP 78?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
4. Is the performance of contract services monitored and documented?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
5. Are all copies of correspondence with the vendor maintained?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
6. Are letters for contracts documented and maintained which outline any problems related to substandard or non-performance of the vendor?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
7. Is the final product to be delivered described specifically and in as much detail as possible in the CHP 78?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
8. Are all required levels of approval/signature obtained, including the required documentation and approvals for expedite and emergency contracts per HPM 11.1, Chapter 22, before forwarding the CHP 78 or CHP 78A?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM INSPECTION CHECKLIST

Chapter 3, Command Procurements
Contracts

9. Are requests for contract services less than six months from the anticipated start date of the contract pre-approved by Assistant Commissioner, Staff, for expedited processing?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
10. Is all work completed and accepted by the Department before expiration of contract agreement?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
11. Are contract services performed according to the quality, quantity, objectives, timeframes, and in the manner specified in the contract (e.g., review progress reports and interim products)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
12. Are invoices for payment reviewed and approved to substantiate expenditures for work performed and to prevent penalties being assessed?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
13. Are contract expenditures monitored to ensure there are sufficient funds to pay for all services rendered as required by contract?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
14. Does the requestor verify the contractor has fulfilled all requirements of the contract before approving the final invoice?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
15. Is the final invoice identified and approved, as appropriate and forwarded to Fiscal Management Section for payment?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
16. Are all applicable form sections of the CHP 78 completed?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
17. Do emergency contracts document and justify a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to mitigate the loss or impairment of life, health, property, or essential public services?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
18. Are all employees associated with the management of a contract completing the CHP 78S, Conflict of Interest Statement, Employee, form?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: 78S not found within files.
19. Are problems concerning the contractor's performance fully documented in writing and made a part of the contract manager's contract file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
20. Are contract amendment request dollar amounts increased more than 30%?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM INSPECTION CHECKLIST

Chapter 3, Command Procurements
Contracts

21. Is the length of the contract amendment request more than one year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
22. Are amendments requested before the expiration of the original contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
23. Is a service contract on a CHP 78, Contract Request initiated for any commercial meeting/conference room rental which is expected to exceed \$4,999.99 in total cost?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
24. Do conference room rental costs exceeding the \$500 per day limit have pre-approval from Assistant Commissioner, Staff?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
25. Are California Department of Justice (DOJ) and Federal Bureau of Investigation (FBI) <u>fingerprint checks</u> and <u>driver license checks</u> conducted for all of the following types of agreements: (1) Avionics Maintenance and Repair (2) Helicopter Maintenance and Repair (3) Instructor Services (on-site) (4) Janitorial Services (5) Consulting Services	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
26. Is a <u>driver license check</u> conducted for, but not limited to, all of the following types of agreements, if the contractor and/or specifically assigned personnel are scheduled to be on-site for more than 30 days: (1) Alarm and Fire Alarm Monitoring (2) Camera Maintenance and Repair (3) Carpet Installation (4) Diesel Generator Maintenance and Repair (5) Dishwasher Maintenance and Repair (6) Elevator Maintenance and Repair (7) Fire Extinguisher Service (8) Garage Door Maintenance and Repair (9) Graphic Arts Equipment Maintenance and Repair (10) Heating, Ventilation, and Air Conditioning Service (11) Laundry/Linen Service (12) Office Machine Maintenance and Repair (13) Painting Services (interior of facility) (14) Plumbing Services (15) Scale Maintenance and Repair (16) Steam Cleaning Services (Carpet, not scales) (17) Telephone Services (cellular, satellite, and regular) (18) Television Equipment Maintenance and Repair (19) Uninterruptible Power Supply Maintenance and Repair	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM

INSPECTION CHECKLIST

Chapter 3, Command Procurements

Contracts

27. Are all driver license and fingerprint information forwarded to Contract Services Unit (CSU), along with the contract number for retention after Commander review?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
28. Is CSU advised by the command to determine if adverse information discovered is grounds for canceling the contract (i.e., adverse driver license and/or criminal history information is received regarding the contractor or the contractor's personnel)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
29. Are all invoices, records, and relevant documentation maintained for <u>three years</u> after the final payment of the contract?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
30. Is a log sheet maintained for a diary of activities related to the contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: No log.
31. Is a computer file prepared for all contracts administered?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: No file known.
32. Is a spreadsheet prepared listing all expenditures?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: No known spreadsheet.
33. Is the notification to the contractor documented for the start date for services to begin?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
34. Is the contractor contacted to determine if all invoices have been received in order to oversee the completion of the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks: Unknown.
35. Do consultant services contracts of \$1,000 or more contain detailed performance criteria and a schedule for performance? (SCM Vol. I, Ch. 3, Section 3.02.1)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks: Unknown.
36. Does the contract file contain the STD. 4 Contractor Evaluation form for consultant contracts? (SCM Vol. I, Ch. 3, Section 3.02.5)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
37. Does Contract work only begin after approval of the final contract? (SCM Vol. 1, Ch. 4, Section 4.09)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
38. Are the requirements for Government Code Section 19130 (a) or (b) documented and justified for personal service contracts? (GC 19130 & SCM Vol. I, Ch. 7, Section 7.05)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
39. Are any contract payments made prior to the final approval and execution of the contract? (SCM Vol. I, Ch. 4, Section 4.09)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:

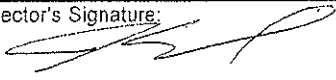
STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM **INSPECTION CHECKLIST**

Chapter 3, Command Procurements
Cal-Card Program

Command: OINV	Division: ACIG	Number: 006
Evaluated by: J. Speas		Date: 12-15-2008
Assisted by:		Date:

INSTRUCTIONS: Answer individual items with "Yes" or "No" answers, or fill in the blanks as indicated. Any discrepancies with policy, applicable legal statutes, or deficiencies noted in the inspections shall be commented on via the "Remarks" section. Additionally, such discrepancies and/or deficiencies shall be documented on an Exceptions Document and addressed to the next level of command. Furthermore, the Exceptions Document shall include any follow-up and/or corrective action(s) taken. If this form is used as a Follow-up Inspection, the "Follow-up Inspection" box shall be marked and only deficient items need to be re-inspected.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Executive Office Level <input type="checkbox"/> Voluntary Self-Inspection		Lead Inspector's Signature: 	
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Follow-up Inspection Commander's Signature: _____ Date: _____	
For applicable policy, refer to: HPM 11.2, Chapter 3			
1. Are all employees associated with the use of the Cal-Card program completing the CHP 78S, Conflict of Interest Statement, Employee, form?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
2. Are STD. 21 Drug Free Workplace certifications maintained within the Cal Card command file for each vendor utilized?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks: FMS has certificates on file for all vendors currently used.
3. Are STD. 204 Payee Data Record forms maintained in the Cal Card command file for each vendor utilized?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks: FMS has certificates on file for all vendors currently used.
4. Are California Integrated Waste Management Board Form 74 documents maintained for each vendor utilized?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks: FMS has certificates on file for all vendors currently used.
5. If the vendor is a small business or DVBE is utilized, is the certification letter from the Department of General Services maintained in the file?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks: FMS has certificates on file for all vendors currently used.
6. When fair and reasonable is utilized, is the fair and reasonable method documented and properly justified?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A Remarks:
7. Are purchases split into multiple transactions in order to circumvent transaction purchase limits?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
8. Does the CHP 317 Cal Card Log fully describe the purchase?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
9. Are bank statements reconciled with the CHP 317 Cal Card Log and the receipts/invoices?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM INSPECTION CHECKLIST

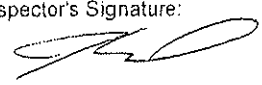
Chapter 3, Command Procurements
Cal-Card Program

10. Is the CHP 317 Cal Card Log properly authorized and maintained?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
11. Are credit invoices/receipts for returned items maintained with the bank statement?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
12. Do non-itemized purchase receipts/invoices document the purchase by listing the commodity, quantity, and unit price of the item(s) purchased on the bank statement.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks: Itemized.
13. Are Cal Cards maintained in a secure area?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: OSS1 is cardholder, only one card.
14. Are Cal Card purchases pre-approved by the commander?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
15. Have all cardholders received training on the Department's procurement processes?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
16. Are item(s) purchased with the Cal Card prohibited by departmental policy?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
INSPECTION CHECKLIST
Chapter 3, Command Procurements
Purchases

Command: OINV	Division: ACIG	Number: 006
Evaluated by: J. Speas		Date: 12/15/2008
Assisted by:		Date:

INSTRUCTIONS: Answer individual items with "Yes" or "No" answers, or fill in the blanks as indicated. Any discrepancies with policy, applicable legal statutes, or deficiencies noted in the inspections shall be commented on via the "Remarks" section. Additionally, such discrepancies and/or deficiencies shall be documented on an Exceptions Document and addressed to the next level of command. Furthermore, the Exceptions Document shall include any follow-up and/or corrective action(s) taken. If this form is used as a Follow-up inspection, the "Follow-up inspection" box shall be marked and only deficient items need to be re-inspected.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Executive Office Level <input type="checkbox"/> Voluntary Self-Inspection		Lead Inspector's Signature: 	
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Follow-up Inspection		Commander's Signature: _____ Date: _____	
For applicable policy, refer to: HPM 11.2, Chapter 7			
1. Are participants in the procurement process at the command level familiar with the related policies and procedures for purchasing?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
2. Have Approvers/reviewers of purchases received procurement training?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
3. Are prohibited items procured on CHP 43, Purchases Requisitions? <ul style="list-style-type: none"> Supplies for personally – owned equipment Commodities for personal use Confirming order Purchases via the internet 	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
4. Are separate CHP 43s, Purchase Requisitions, prepared for commodity items obtainable from different suppliers or from different statewide commodity contracts?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
5. Is all required information entered on the CHP 43, Purchase Requisition?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
6. Are the CHP 43, Purchase Requisitions, numbered consecutively, starting anew at the beginning of each fiscal year (July 1)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:
7. Are expedited requests for the purchase of goods forwarded to the Assistant Commissioner, Staff, for approval?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM INSPECTION CHECKLIST

Chapter 3, Command Procurements
Purchases

8. Do specialized items purchased contain the appropriate Division, and/or OPI approvals?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
9. Are the CHP 43, Purchase Requisitions, competitively bid?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
10. Does the CHP 315, Price Comparison Worksheet, document at least two price quotations?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
11. Are Limited Competitive Bidding purchase requests that limit or restrict the purchase to one specific brand or model justified and in compliance with SAM 3555?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
12. Are Limited Competitive Bidding purchase requests for items that interface with existing departmental equipment in compliance with SAM 3555.3?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
13. Do Non-Competitive Bid (NCB) purchase requests contain the NCB justification and NCB Corrective Action Plan documents?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
14. Are items checked immediately for content and damage when delivered?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
15. Is the "received copy" of the purchase order approved, dated, and forwarded to the Fiscal Management Section (FMS), Account Payable Unit, within three business days of receipt, if all items are accepted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
16. Are freight and/or packing slips attached to the received copy of the purchase order and sent to FMS?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
17. Is FMS provided a photocopy of the purchase order and any approved freight or packing slips as acknowledgement that a portion of the order has been received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
18. Is the original "received copy" retained by the command for completion and forwarding to the FMS when the complete shipment is received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
19. Are <u>Damaged items</u> delivered by common carrier acknowledged on the freight bill by the carrier's driver before being accepted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND INSPECTION PROGRAM

INSPECTION CHECKLIST

Chapter 3, Command Procurements
Purchases

20. Is Purchasing Services Unit (PSU) notified immediately by telephone, followed in writing either by a memorandum or e-mail, requesting cancellation of the requisition or deletion of an item, if it is determined that a commodity requested on a CHP 43 is no longer needed and a purchase order has not yet been prepared?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
21. Are open purchase orders periodically reviewed and investigated to ensure the orders are not opened for an unreasonable length of time. (SAM 8422.0)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
22. Are copies of the purchase requisitions and purchase orders maintained for three years after payment? (SCM Vol. II, Ch. 11, Topic 4)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
23. Are decisions documented to create a paper trail documenting the basis of the decisions made for the purchase? (SCM Vol II Ch. 2, Topic 11)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
24. Are purchase orders split to evade competitive bidding requirements or to circumvent the Department's delegated purchase authority limits? (Public Contracts Code Section 10329)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

Command: OINV	Division: ACIG	Chapter: 4
Inspected by: Nestor Michelena		Date: 12/16/2008

INSTRUCTIONS: This document shall be typed. Check appropriate boxes as necessary, or fill in the blanks as indicated. Enter the chapter number of the inspection in the Chapter Inspection number. Under "Forward to:" enter the next level of command where the document shall be routed to and its due date. This document shall be utilized to document innovative practices, suggestions for statewide improvement, identified deficiencies, corrective action plans, and may be used to appeal findings. A CHP 51 Memorandum may be used if additional space is required.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Executive Office Level		<input type="checkbox"/> Corrective Action Plan Included <input type="checkbox"/> Appeal Included <input type="checkbox"/> Attachments Included	
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Forward to: 005 Due Date: 12/19/2008	Commander's Signature:	Date:

Chapter Inspection:

Inspector's Comments Regarding Innovative Practices:

No innovative practices noted.

Command Suggestions for Statewide Improvement:

None.

Inspector's Findings:

On December 15, 2008 a Command Procurements Inspection was performed at the direction of Lieutenant M. Nielsen pursuant to HPM 22.1. This inspection looked at Fiscal Controls. This inspection included all folders and files associated with the above program found within the Office of Investigations (OINV). OSSI Maggie Peck was utilized as the Command's resource for assistance with the inspection.

No discrepancies or issues of concern were found.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

Command: OINV	Division: ACIG	Chapter: 4
Inspected by: Michelena		Date: 12/15/2008

Page 2

Commander's Response:

Inspector's Comments:

Required Action

Corrective Action Plan/Timeline

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

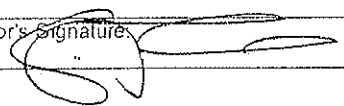
Command: OINV	Division: ACIG	Chapter: 4
Inspected by: Michelena		Date: 12/15/2008

Page 3

~~Appeal Process: (Appeals shall be filed within five (5) business days of the completed chapter inspection).~~

Commander's Basis for Appeal:

Appeal Review/Decision: *(This shall be the only level of appeal).*

Lead Inspector's Signature: 

Date:
12/18/2008

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
COMMAND INSPECTION PROGRAM
EXCEPTIONS DOCUMENT

Responding Commander's Signature (for appeal):	Date:
--	-------

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

INSPECTION PROGRAM

Chapter 4
Fiscal Controls

Command: OINV	Division: ACIG	Number: 006
Evaluated by: Nestor Michelena		Date: 12/16/2008
Assisted by: George Gori		Date: 12/16/2008

INSTRUCTIONS: Answer individual items with "Yes" or "No" answers, or fill in the blanks as indicated. Any discrepancies with policy, applicable legal statutes; or deficiencies noted in the inspections shall be commented on via the "Remarks" section. Additionally, such discrepancies and/or deficiencies shall be documented on an Exceptions Document and addressed to the next level of command. Furthermore, the memorandum shall include any follow-up and/or corrective action(s) taken. If this form is used as a Follow-up Inspection, the "Follow-up Inspection" box shall be marked and only deficient items need to be re-inspected.

TYPE OF INSPECTION <input type="checkbox"/> Division Level <input checked="" type="checkbox"/> Command Level <input type="checkbox"/> Office of Inspections <input type="checkbox"/> Voluntary Self-Inspection		Lead Inspector's Signature:		
Follow-up Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Follow-Up Inspection		Commander's Signature:		Date:
For applicable policies, refer to State Administrative Manual (SAM), HPM 11.1, Chapter 4, and HPM 11.2, Chapter 2.				
1. Is management actively involved in reviewing and approving paperwork related to receiving and preparing collections?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
2. Does the command have Standard Operating Procedures (SOP) to provide necessary guidelines for overall management and accountability of receiving and preparing collections?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
3. Does the command have adequate separation of duties for collections received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
4. Does the command have adequate separation of duties for the cash receipt process?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
5. Is access to the safe and/or vault appropriately restricted?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
6. Does a record exist which identifies who has access to the safe and/or vault and when changes in access occur?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
7. Was the lock combination changed when an excess number of employees were aware of the combination, transferred out of the Area, or no longer requires access?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
8. Is the safe securely anchored to the building?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
9. Are weekly transmittal reports prepared in accordance with departmental policy?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
10. Is the weekly transmittal report(s) submitted to Fiscal Management Section (FMS) within five working days following the week covered by the report?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

INSPECTION PROGRAM

Chapter 4

Fiscal Controls

11. Does the command submit the following forms with the weekly transmittal when applicable? (1) CHP 265, Sale of Discarded Tires/Junk Batteries/Used Rotors. (2) CHP 36, Evidence/Property Receipt/Report (Unclaimed Property). (3) STD 634, Absence and Additional Time Worked Report, for jury duty. (4) CHP 221, Malicious Damage Report. (5) CHP 464, Traffic Control Cost Estimate – Advance Deposit. (6) Civil subpoena.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
12. Is a memorandum for cash shortages prepared if necessary?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
13. Does the command ensure the information written on the counter receipt is complete and legible?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
14. Was a counter receipt issued for each witness fee deposit received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
15. Was a counter receipt issued for each movie, wide-load, and special event detail(s)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
16. Was each counter receipt issued for each sale, including the sale of discarded tires, junk batteries, used rotors, and other cash received?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
17. Is sales tax added to items that are not for resale?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
18. Are all counter receipts pre-numbered and issued in numerical sequence?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
19. Were transfers of counter receipt books/certificates between field commands reported on a CHP 266A, Credit Memo - Non- Equipment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
20. Is the STD 439, Disbursement Voucher, properly authorized and completed to support expenditure?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks:
21. Are the CHP 264, Petty Cash Replenishment Requests, completed at least monthly if over \$10.00, quarterly if under \$10.00, and on June 30 of each fiscal year?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: Completed in March of 2008.
22. Is the CHP 264 properly authorized?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
23. Does the total amount of cash, receipts on hand, and receipts in transit equal the total of petty cash and change funds?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
24. Is there documentation to support periodic reviews of petty cash and change funds performed by the commander or designated person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: Completed by Lt. M. Richard
25. Are overages and shortages of the petty cash funds reported to Fiscal Management Section?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Remarks: Memo for shortage of .02

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

INSPECTION PROGRAM

Chapter 4

Fiscal Controls

26. Were change funds used to cash checks, money orders or cashier/travelers checks?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
27. Are change funds over \$100 and petty cash funds over \$200 kept in a safe, vault, or money chest adequate to safeguard cash?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
28. Are all petty cash purchases under \$50?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
29. Is petty cash used to purchase prohibited items?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
30. Did the command circumvent the dollar limitation by splitting the purchase?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks:
31. Is a petty cash custodian designated by the commander?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A	Remarks: